(c) whether Government propose to take steps to raise domestic production of diesel/petrol; if so, to what extent;

(d) whether Government also propose to take steps to curb consumption of diesel/petrol;

(e) if so, the details thereof; and

(f) if the answer to part (d) above be in negative, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) The estimates of oil pool account deficit are arrived at considering the import prices for crude and refined products, the Rupee/Dollar Exchange rate, indigenous availability and pricing of crude oil and petroleum products, likely demand of petroleum products and claims of Refining and Marketing oil companies under Administered pricing Mechanism.

(b) The position of the oil pool account is being monitored on a continuous basis and measures taken to contain the deficit.

(c) By the terminal year of IX plan (2001-02) domestic refining capacity is likely to be enhanced to 131 MMTs which would substantially increase the availability of MS/HSD.

(d) to (f) Petroleum Conservation Research Association (PCRA) plays the role of a catalysing agency for achieving petroleum conservation in the four major sectors of Indian economy viz. Industrial, Transport, Agriculture and Domestic sectors by propagating and encoureging conservation techniques and modes including conduct of energy studies, R&D efforts and by creating awareness among and educating public on the importance, methods and benefits of conservations.

Use of Propane as Fuel in Two-Wheelers and Three-Wheelers

625. SHRIMATI ANANDIBEN JETHABHAI PATEL: Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to the Supreme Court's order to test to use of propane gas on 50 two-wheeler and 50 three-wheeler vehicles and its effect on environment;

(b) if so, the action taken by Government in this regard;

(c) whether Government have directed the State Governments to use propane as fuel in two-wheelers and three-wheelers, on experimental basis;

(d) if so, the details thereof; and

(e) if not, whether Government propose to do it now?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) The Supreme Court in its hearing on 9.12.96 on a public interest litigation has desired that the Government should facilitate a private company to undertake an experiment as a pilot project on 50 number, each of 3-wheelers and 2-wheelers, with 2-stroke engines to ascertain whether propane could be an eco-friendly substitute and viable alternative to petroleum-oil, which is causing pollution at present.

(b) Steps have been initated to comply with the order of Supreme Court.

(c) to (e) No, Sir. State Governments will take their own decision after the policy in this regard is finalised.

Rise in the Oil Import Bill

626. SHRI RAMDAS AGARWAL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that oil import oil for the current financial year is likely to rise to about Rs. 33,000 crores, as reported in the Hindustan Times dated the 10th February, 1997;

(b) whether it is a fact that ONGC's production has registered a 4.5 million tonne decline during the current financial year and that the current rate of oil production of 0.7 million barrels per day will last only about 22 years; and

(c) if so, what concrete measures for exploration and production of oil have been taken by Government so far?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) Quantity and value of import of crude oil and import of petroleum products depends upon the over all demand, indigenous production and prices prevailing in the international market.

(b) ONGC had earlier estimated production of 32.80 MMT of crude oil including condensate in Jan. 96 for the Oil Economy Budget. The estimated production of crude oil and condensate by ONGC during the current year is 29.204 representing a shortfall of 3.596 MMT. Further at the current rate of withdrawals, the presently estimated reserves of oil in the Western Off-shore will last for about 21 years.

(c) Various steps being taken by the Government for exploration and production of oil are:—

1. Implementation of new projects/ schemes and additional development of existing fields.

2. Implementation of EOR Schemes and extending some of EOR's Schemes from pilot scale to full scale field application.

3. Implementation of specialised technologies such as ERD, side track, horizontal and drain hole drilling.

4. Obtaining services of international experts wherever considered necessary.

5. 3-D seismic survey of the oil fields.

6. Rectificatory measures such as aggressive workovers, use of specialised technologies like long/short drift side track, drain hole have been planned for revival of side wells which still have potential.

7. Encouraging the participation of private/joint venture in the oil sector.

8. Enhancing exploration of hydrocarbon and increasing reserves through seismic surveys, deep water exploration and exporation in frontier areas.

Shortage of Funds for Expansion Schemes of ONGC

627. DR. D. VENKATESHWAR RAO: Will the PRIME MINISTER be pleased to state:

(a) whether the ONGC is likely to fall short of funds by about Rs. 8000 crores to finance its expansion schemes and execute its planned projects;

(b) whether the ONGC expects to meet 80% of the Ninth Five Year Plan funds requirements through internal resource generation;

(c) whether any concrete steps have been taken in this regard; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) As per the IXth Plan outlay of Rs. 24099 crores as projected during the formulation of ONGC's Annual Plan 1997-98, the tentative shortfall would be of the order of about Rs. 7256 crores.

(b) Based on the current level of producer prices of the oil and gas, ONGC expects to fund about 70% of its projected outlay for the IXth Plan period out of internal resources.

(c) and (d) The shortfall is proposed to be funded through an appropriate mix of debt and equity, depending upon the prevailing market conditions.

Recommendations of Vijay Kelkar Committee

628. SHRI SANJAY NIRUPAM: Will the PRIME MINISTER be pleased to state:

(a) whether Government are planning to deregulate the oil sector; and